

BERKELEY  
CAPITAL ADVISORS

# Dutch Bros Coffee Ground Lease

RICHMOND, KY





# Contacts

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## BERKELEY

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615.727.8818

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**RICHMOND | VA**

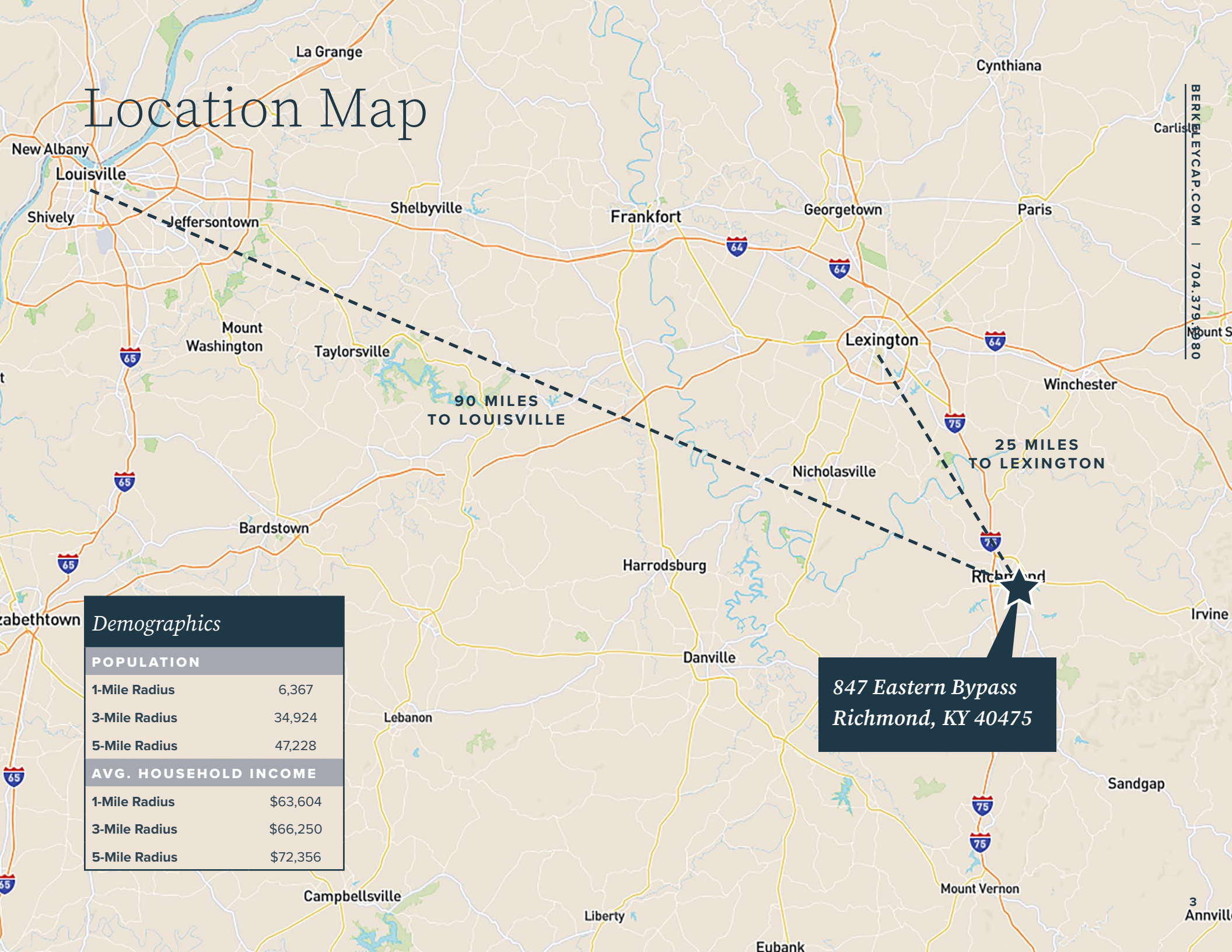
1309 West Main St.  
Richmond, VA 23220  
804.239.7890

**CHARLESTON | SC**

1049 Morrison Dr., Suite 201  
Charleston, SC 29412  
704.943.3159

**BCA FIRM KENTUCKY****REAL ESTATE LICENSE NO.: 76356**

# Location Map



## Demographics

### POPULATION

1-Mile Radius	6,367
3-Mile Radius	34,924
5-Mile Radius	47,228

### AVG. HOUSEHOLD INCOME

1-Mile Radius	\$63,604
3-Mile Radius	\$66,250
5-Mile Radius	\$72,356

847 Eastern Bypass  
Richmond, KY 40475

# Investment Overview

## PROPERTY

*Dutch Bros Coffee  
Ground Lease*

## ADDRESS

*847 Eastern Bypass  
Richmond, KY 40475*

## TENANT ENTITY

Corporate

## GUARANTOR

Corporate\*

## RENT COMMENCEMENT

May 6, 2023

## LEASE EXPIRATION

May 31, 2043

## ORIGINAL LEASE TERM

20 Years

## LEASE TERM REMAINING

20 Years

## OPTIONS REMAINING

Three, 5-Year

## LEASE TYPE

Absolute Net Ground Lease

## NOI

\$128,810

## RENT INCREASES

10% Every 5 Years

## RIGHT OF FIRST REFUSAL

No

*\*Guarantee for the initial term only*

## PROPERTY DETAILS

950

*Square Feet*

0.70

*Acres*

2023

*Year Built*

±14

*Parking Spaces*

*Note: All lease provisions to be independently verified by Buyer during the Due Diligence Period.  
The information contained herein has been obtained from sources we deem reliable.*

# \$2,501,000

*Asking Price (5.15% Cap Rate)*

## RENT SCHEDULE

LEASE YEAR	START	END	ANNUAL RENT	% INCREASE
Years 1-5	5/6/2023	5/31/2028	\$128,810	-
Years 6-10	6/1/2028	5/31/2033	\$141,691	10.00%
Years 11-15	6/1/2033	5/31/2038	\$155,860	10.00%
Years 16-20	6/1/2038	5/31/2043	\$171,446	10.00%
Option 1	6/1/2043	5/31/2048	\$188,591	10.00%
Option 2	6/1/2048	5/31/2053	\$207,450	10.00%
Option 3	6/1/2053	5/31/2058	\$228,195	10.00%





# Property Highlights

## PROPERTY HIGHLIGHTS

- Brand-new 2023, state of the art, build-to-suit construction with Dutch Bros' latest prototype including a double drive-thru
- Absolute net ground lease | Truly passive investment
- New 20-year lease
- 1 mile from Eastern Kentucky University | 11,684 students
- 1 mile from Baptist Health Richmond Hospital | 105 beds
- Great visibility & convenient access from Eastern Bypass | 29,000 VPD combined
- Corporate guaranteed lease | Boersma Bros LLC | 800+ locations across the US
- Outparcel to Carriage Gate Shopping Center | 245K SF of prime retail space
- Located inside of dense retail corridor | 2.6M SF within a 2-mile radius
- Large industrial presence nearby bringing in a large amount of daytime workers to the area | 2.1MM SF of space within a 2-mile radius
- 10 minutes from Madison Central High School | 2,149 students
- Nearby Retailers: Walmart Supercenter, Kroger, Tractor Supply, Lowe's, Aldi, Hobby Lobby, Harbor Freight, Dollar Tree, Dollar General, Walgreens, Outback, McDonald's, Chick-fil-A, Dunkin, Freddy's, Wendy's, KFC, Zaxby's, Sonic, and others

## DEMOGRAPHIC SNAPSHOT

52,412

2022 POPULATION WITHIN  
FIFTEEN MINUTES

\$73,768

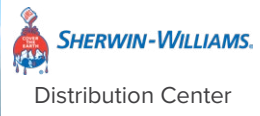
2022 AVERAGE HOUSEHOLD  
INCOME WITHIN FIFTEEN MINUTES







SE



EASTERN BYPASS - 29,000 VPD







**CALIBER  
COLLISION**



**Baptist Health  
Richmond**  
105 beds

**Eastern Kentucky  
University**  
14,324 students  
1 mile away



**O'Charley's**  
RESTAURANT + BAR



**EASTERN BYPASS - 29,000 VPD**







Walgreens

**HOBBY LOBBY**  
**HARBOR FREIGHT**  
Quality Tools at Ridiculously Low Prices

**DOLLAR TREE**  
**Dunham's SPORTS**  
**Office DEPOT**

**Freddy's**  
FROZEN CUSTARD &  
STEAKBURGERS®

**DUTCH BROS**  
Coffee

**Valvoline**

**Kroger Marketplace**  
**TSC TRACTOR SUPPLY CO.**  
**McDonald's**  
**First Southern National Bank**

Clark Moores Middle School  
512 students

**Bargain Hunt**  
Habitat for Humanity  
**ReStore**

EASTERN BYPASS - 29,000 VPD



# Tenant Overview



Dutch Bros Inc. operates and franchises drive-thru shops. The company offers coffee-based beverages, including custom drinks, cold brews, and freeze blended beverages, as well as Blue Rebel energy drinks. It also provides tea, lemonade, sodas, smoothies, and other beverages through company-operated shops and online channels. Dutch Bros Inc. was founded in 1992 and is headquartered in Grants Pass, Oregon.

- 4,000 units planned for the next 10-15 years
- Record \$1B in sales for trailing 12 months
- 4th largest coffee chain in US
- \$2.1MM AUV for stores that opened 2020-2021

## BROS

*NYSE Ticker Symbol*

### \$739M

*Total Revenue*

### \$5.38B

*Market Cap*

### 800+

*Total Locations*

### 14,000

*Total Employees*





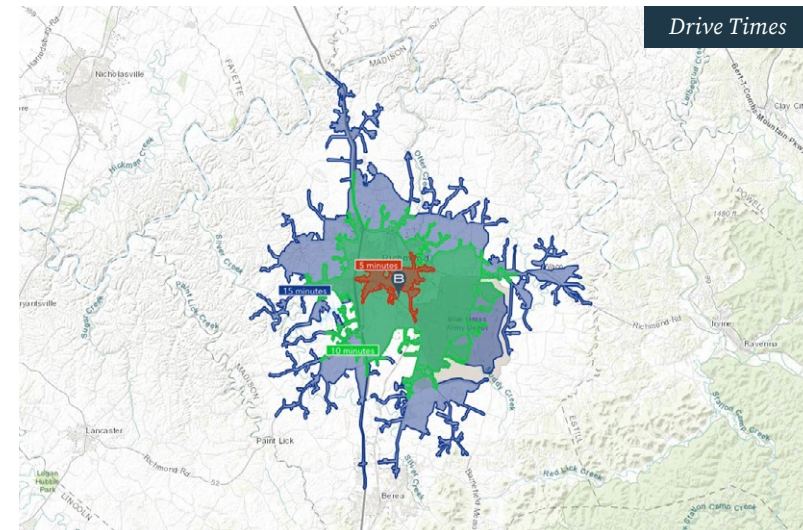
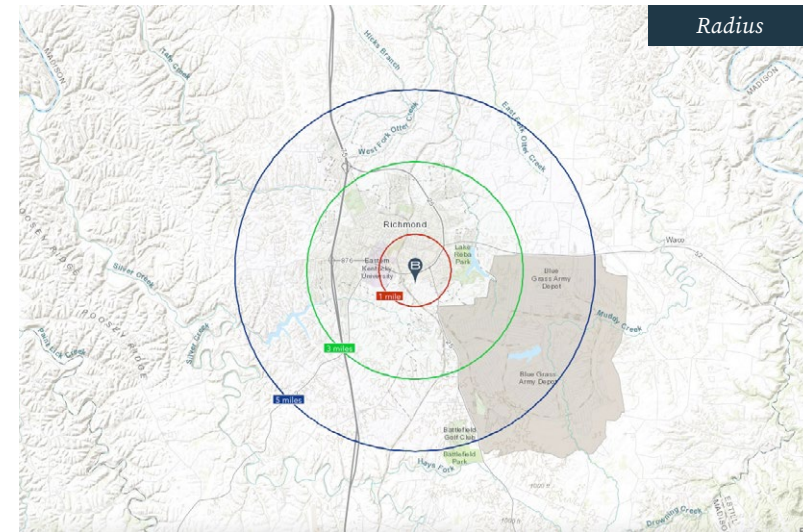
# Demographics

## Radius

POPULATION	1-MILE	3-MILE	5-MILE
2027 Population	6,606	36,657	49,267
2022 Population	6,367	34,924	47,228
2020 Population	6,301	33,792	45,908
2010 Population	6,140	30,368	40,939
2022-2027 Annual Rate	0.74%	0.97%	0.85%
2020-2022 Annual Rate	0.46%	1.48%	1.27%
2010-2020 Annual Rate	0.26%	1.07%	1.15%
HOUSEHOLDS			
2027 Households	2,722	14,993	19,964
2022 Households	2,625	14,250	19,082
2020 Households	2,583	13,761	18,503
2010 Households	2,278	11,867	16,086
2022-2027 Annual Rate	0.73%	1.02%	0.91%
2020-2022 Annual Rate	0.72%	1.56%	1.38%
2010-2020 Annual Rate	1.26%	1.49%	1.41%
<b>2022 AVG. HH INCOME</b>	<b>\$63,604</b>	<b>\$66,250</b>	<b>\$72,356</b>

## Drive Times

POPULATION	5-MINUTE	10-MINUTE	15-MINUTE
2027 Population	9,062	40,472	54,886
2022 Population	8,836	38,613	52,412
2020 Population	8,755	37,407	50,776
2010 Population	9,609	33,783	45,101
2022-2027 Annual Rate	0.51%	0.94%	0.93%
2020-2022 Annual Rate	0.41%	1.42%	1.42%
2010-2020 Annual Rate	-0.93%	1.02%	1.19%
HOUSEHOLDS			
2027 Households	3,138	16,658	21,978
2022 Households	3,044	15,850	20,939
2020 Households	3,005	15,312	20,256
2010 Households	2,723	13,299	17,536
2022-2027 Annual Rate	0.61%	1.00%	0.97%
2020-2022 Annual Rate	0.57%	1.55%	1.48%
2010-2020 Annual Rate	0.99%	1.42%	1.45%
<b>2022 AVG. HH INCOME</b>	<b>\$56,481</b>	<b>\$67,362</b>	<b>\$73,768</b>





# Confidentiality Disclaimer

Berkeley Capital Advisors, LLC ("BCA") has been authorized by the owner of the subject property (the "Seller") to present you with this marketing package. This is a confidential package intended solely for your own limited use and benefit, as a principal, in considering whether you desire to pursue negotiations to acquire the subject property.

Your receipt and acceptance of this package serves to acknowledge your agreement to: (1) hold the information and materials contained herein, and the offering they represent, in the strictest of confidence; (2) not disclose, directly or indirectly, the information and materials contained herein, or the offering they represent, to any other person, firm or entity without prior written authorization from BCA or the Seller; (3) not use the information and materials contained herein in any fashion or manner detrimental to the interest of BCA or the Seller; (4) not disturb any tenants in possession of the subject property nor reveal to them the offering this package represents.

This marketing package was prepared by BCA and it has been reviewed by representatives of the Seller. The information and materials contained herein are selective and limited in nature, and neither BCA nor the Seller purports this to be an all-inclusive report on the subject property. Within this package, certain leases, documents and other materials are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements involved, nor do they purport to constitute a legal analysis of the provisions of those documents. Interested and qualified prospective purchasers will be afforded an opportunity to review additional information and to inspect the subject property, and all such prospective purchasers should conduct their own independent due diligence.

This package is based in part upon information supplied by the Seller and in part upon information obtained by BCA from sources believed to be reliable. All income, expense and/or investment projections contained herein are provided for general reference purposes only, in that they are based on assumptions relating to the general economy, competition and other factors beyond the control of BCA and the Seller, and all such projections are therefore subject to variation. This package shall not be deemed an indication of the state of affairs of the subject property, nor constitute an indication that there has been no change in the business or affairs of the subject property since the date of preparation of this package.

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BCA and the Seller expressly reserve the right, at their sole discretion, to alter or amend the terms of this offering, to reject any or all expressions of interest or offers to acquire the subject property and/ or to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligation to any entity reviewing this package or making an offer to acquire the subject property unless and until a written agreement for such acquisition has been fully executed, delivered and approved by the Seller and any conditions to the Seller's obligations thereunder have been satisfied or waived.

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If, after reviewing this package, you have no further interest in acquiring the subject property at this time, please return this package in its entirety to BCA. Likewise, if the terms contained in this Confidentiality & Disclaimer section are not acceptable to you, please immediately return this package to BCA.

## AGENT'S DUTIES

When you contract with a real estate firm to act as your agent in a real estate transaction, the agent must help you obtain the best price and terms possible, whether you are the buyer or seller. The agent also owes you the duty to:

- Safeguard and account for any money handled for you
- Act with reasonable skill, care and diligence
- Be loyal and follow reasonable and lawful instructions
- Disclose to you any information which might influence your decision to buy or sell

Even if the agent does not represent you, the agent must still be fair and honest and disclose to you all "material facts" which the agent knows or reasonably should know. A fact is "material" if it relates to defects or other conditions affecting the property, or if it may influence your decision to buy or sell.

## AGENTS WORKING WITH SELLERS

A seller can enter into a "listing agreement" with a real estate firm authorizing the firm and its agent(s) to represent the seller in finding a buyer for his property. The listing agreement should state what the seller will pay the firm no matter who finds the buyer.

The listing firm may belong to a listing service to expose the seller's property to other agents who are members of the service. Some of those agents may be working with buyers as buyers' agents; others will be working with buyers but still representing the sellers' interests as an agent or "subagent". When the buyer's agents and seller's subagents desire to share in the commission the seller pays to the listing firm, the listing agent may share the commission with the seller's permission.

## AGENTS WORKING WITH BUYERS

A buyer may contract with an agent or firm to represent him (as a buyer's agent), or may work with an agent or firm that represents the seller (as a seller's agent or subagent). All parties in the transaction should find out at the beginning who the agent working with the buyer represents.

If a buyer wants a buyer's agent to represent him in purchasing a property, the buyer should enter into a "buyer agency agreement" with the agent. The buyer agency agreement should state how the buyer's agent will be paid. Unless some other arrangement is made which is satisfactory to the parties, the buyer's agent will be paid by the buyer. Many buyer agency agreements will also obligate the buyer to pay the buyer's agent no matter who finds the property that the buyer purchases.

A buyer may decide to work with a firm that is acting as agent for the seller (a seller's agent or subagent). If a buyer does not enter into a buyer agency agreement with the firm that shows him properties, that firm and its agents will show the buyer properties as an agent or subagent working on the seller's behalf. Such a firm represents the seller (not the buyer) and must disclose that fact to the buyer.

The terms and conditions stated in this Confidentiality & Disclaimer section apply and relate to all of the sections of this package as if stated independently therein. Prospective purchasers of the subject property are hereby notified that Berkeley Capital Advisors, and its agents, are acting in the capacity of a "Seller's Agent" during the course of this offering, and as such are solely representing the interests of the Seller.



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